

House Bill 17

By: Representatives Bearden of the 68<sup>th</sup>, Levitas of the 82<sup>nd</sup>, and Byrd of the 20<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

To amend Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to income taxes, so as to abolish the state income tax for corporations effective for tax years beginning on or after January 1, 2010; to provide for a short title; to provide for the collection of income taxes prior to such abolishment; to provide for an effective date; to provide for applicability; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to income taxes, is amended by revising subsection (a) of Code Section 48-7-21, relating to taxation of corporations, as follows:

"(a)(1)(A) For any taxable year beginning prior to January 1, 2010, every ~~Every~~ domestic corporation and every foreign corporation shall pay annually an income tax equivalent to 6 percent of its Georgia taxable net income.

(B)(i) This subparagraph shall be known and may be cited as the "Small Business and Jobs Protection Act of 2009."

(ii) For any taxable year beginning on or after January 1, 2010, there shall not be a corporate income tax and no corporate returns are required.

(2) Georgia taxable net income of a corporation shall be the corporation's taxable income from property owned or from business done in this state. A corporation's taxable income from property owned or from business done in this state shall consist of the corporation's taxable income as defined in the Internal Revenue Code of 1986, with the adjustments provided for in subsection (b) of this Code section and allocated and apportioned as provided in Code Section 48-7-31."

24 **SECTION 2.**

25 (a) This Act shall become effective upon its approval by the Governor or upon its  
26 becoming law without such approval.

27 (b) Tax, penalty, and interest liabilities and refund eligibility for prior taxable years shall  
28 not be affected by the passage of this Act and shall continue to be governed by the  
29 provisions of Article 4 of Chapter 13 of Title 48 of the Official Code of Georgia Annotated  
30 as it existed immediately prior to the effective date of this Act.

31 **SECTION 3.**

32 All laws and parts of laws in conflict with this Act are repealed.